

**Budget Advisory Committee  
Meeting of October 6, 2010**

Members present: Chairman Robin Brooks, Ellen Lebauer, Burr Taylor, Linda Hall, Alison Hawkes

Others present: Town Administrator Kristi Eiane, Deputy Town Administrator Terri Sawyer, Special Advisor to the Committee Marguerite Kelly

Chairman Brooks called the meeting to order at 3:25 p.m. Each of the members introduced themselves. The Chair indicated that the review of fees begun at an earlier workshop would continue under item 6 of the agenda. It was moved and seconded to adopt the agenda provided to the Committee. All in favor.

Organizational Matters:

Chairman Brooks read the Mission Statement of the Budget Advisory Committee and referred to the Committee guidelines which were provided to each member upon their having been sworn in. He requested that any additional information that a member may wish to request of the staff be brought first to a meeting of the Committee. Further, he requested that e-mail communication between or among the Committee members be limited. He also reminded members that all e-mails relating to BAC matters was public information. Marguerite Kelly then reviewed the appropriation control report and the manner in which it relates to budget materials.

2011 LD1 Calculation, Parameters from Selectmen & 2011 Appropriations

The Town Administrator introduced the staff present at the meeting and indicated the willingness of all Town staff to assist the members in their work. She indicated that there were a few issues on her radar screen that may require changes to the budget submission.

Ms. Eiane relayed to the members the guidance of the Board of Selectmen, specifically that the budget process should produce an LD1 compliant budget and that a 2% increase in salaries and wages should be used as such an increase is consistent with the contractual increase for union employees.

Ms. Eiane then walked the Committee through the process of calculating what an LD1 compliant budget would be. The LD1 Growth Limit Factor is 3.07% and when applied to the prior year's property tax levy limit results in a net municipal budget target of \$2,251,604. To this, the amount of State Revenue Sharing lost between 2009 and 2010 (estimated at \$40,000) can be added resulting in an estimated 2011 levy limit of \$2,291,604. Estimated non-property tax revenues of \$1,765,000 are added to this limit and the total of \$4,056,604 is an LD1 compliant level of spending.

Ms. Eiane reviewed with the Committee the Budget Appropriation Summary dated October 6, 2010. Total appropriations for 2011 are budgeted to be \$4,134,162, an increase of \$127,079 or 3.17% from 2010. Areas of significant increase & decrease were identified

The Committee discussed whether members who are also officers or directors of entities requesting funds from the Town will participate in the discussion of those requests. Mr. Taylor and Chairman Brooks each indicated that they will recuse themselves from discussions of requests by the Cundy's Harbor Fire & Rescue (Mr. Taylor), Harpswell Historical Society (Mr. Taylor) and Harpswell Heritage Land Trust (Chairman Brooks). Mr. Taylor also indicated that he would recuse himself from the discussion of the requests of the Conservation Commission.

#### Debt Service

Treasurer Marguerite Kelly reviewed the Town's Debt Service Schedule with the Committee. The 2011 budget includes \$452,500 for principal and interest payments on the Town's long and short term debt. Interest on the 2010 borrowing will be adjusted when the pricing of the bond issue is known.

#### Other – Fees

The Deputy Town Administrator reviewed with the Committee cost analyses relating to mooring fees, shellfish licensing fees, land use, plumbing and septic fees and fees charged for the work of the Planning Board and Board of Appeals.

The Committee reached a consensus that no change would be proposed for mooring fees.

Additional information was requested from the staff relating to shellfish licenses.

A consensus was reached that no change would be proposed for land use fees. With respect to plumbing & septic fees, a consensus was reached that the increases to be mandated by the State in these areas would be passed on in total, essentially leaving the Town's portion of the fee unchanged.

Additional information was requested of the staff with respect to fees charged for the work of the Planning Board & Board of Appeals.

Upon a motion made and seconded, the meeting was adjourned at 5:45 P.M.

Submitted by Marguerite Kelly

Accepted by the Committee October 13, 2010 after amending the third paragraph of "Other – Fees" to add "Ms. Hall left the meeting."